



DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 20-43]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 20-43 with attached Policy Justification and Sensitivity of Technology.

Dated: November 25, 2020.

Kayyonne T. Marston,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-5408

September 30, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 20-43 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Switzerland for defense articles and services estimated to cost \$2.2 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, reading "Heidi H. Grant", is positioned above the printed name and title.

Heidi H. Grant
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Switzerland

(ii) Total Estimated Value:

Major Defense Equipment*	\$1.1 billion
Other	<u>\$1.1 billion</u>
TOTAL	\$2.2 billion

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: The Government of Switzerland has requested the possible sale of five (5) Patriot Configuration-3+ Modernized Fire Units, consisting of:

Major Defense Equipment (MDE):

Five (5) AN/MPQ-65 Radar Sets

Five (5) AN/MSQ-132 Engagement Control Stations

Seventeen (17) M903 Launching Stations

Up to seventy (70) Patriot MIM-104E Guidance Enhanced Missile Tactical (GEM-T) Missiles

Seven (7) Antenna Mast Groups

Five (5) Electrical Power Plants (EPP) III

Six (6) Multifunctional Information Distribution System Low Volume Terminal (MIDS-LVT) (11) Block Upgrade Two (BU2)

Non-MDE:

Communications equipment; tools and test equipment; range and test programs; support equipment to include associated vehicles; prime movers; generators; publications and technical documentation; training equipment; spare and repair parts; personnel training; Technical Assistance Field Team (TAFT); U.S. Government and contractor technical, engineering, and logistics support services; Systems Integration and Checkout (SICO); field office support; and other related elements of logistics and program support.

(iv) Military Department: Army (SZ-B-UAS)

(v) Prior Related Cases, if any: None

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: **September 30, 2020**

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Switzerland – Patriot Configuration-3+ Modernized Fire Units

The Government of Switzerland has requested the possible sale of five (5) Patriot Configuration-3+ Modernized Fire Units, consisting of: five (5) AN/MPQ-65 Radar Sets; five (5) AN/MSQ-132 Engagement Control Stations; seventeen (17) M903 Launching Stations; up to seventy (70) Patriot MIM-104E Guidance Enhanced Missile Tactical (GEM-T) Missiles; seven (7) Antenna Mast Groups; five (5) Electrical Power Plants (EPP) III; and six (6) Multifunctional Information Distribution System Low Volume Terminal (MIDS-LVT) (11) Block Upgrade Two (BU2). Also included are communications equipment; tools and test equipment; range and test programs; support equipment to include associated vehicles; prime movers; generators; publications and technical documentation; training equipment; spare and repair parts; personnel training; Technical Assistance Field Team (TAFT); U.S. Government and contractor technical, engineering, and logistics support services; Systems Integration and Checkout (SICO); field office support; and other related elements of logistics and program support. The total estimated cost is \$2.2 billion.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of a friendly European nation which is an important force for political stability and economic progress within Europe.

The proposed sale of the Patriot missile system will improve Switzerland's missile defense capability. Switzerland will use the Patriot to defend its territorial integrity and for regional stability. The proposed sale supports Switzerland's goal of improving national and territorial defense. Switzerland will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractors will be Raytheon Corporation, Tewksbury, Massachusetts and Lockheed-Martin, Dallas, Texas. The purchaser typically requests offsets. Any offset agreement will be defined in negotiations between the purchaser and the contractor.

Implementation of this proposed sale will require approximately twenty-five (25) U.S. Government and forty (40) contractor representatives to travel to Switzerland for an extended period for equipment de-processing/fielding, system checkout, training, and technical and logistics support.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 20-43

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The Patriot Air Defense System is a surface-to-air missile defense system, which continues to

hold a significant technology lead over other systems in the world. The Patriot Air Defense System contains communication, identification, navigation, and tactical software. The items requested represent significant technological advances for Switzerland.

2. The Patriot sensitive/critical technology is primarily in the area of design and production know-how and inherent in the design, development and/or manufacturing data related to certain components.

3. The highest level of classification of defense articles, components, services, and information on system performance capabilities, effectiveness, survivability, missile seeker capabilities, select software/software documentation and test data included in this potential sale are classified up to and including SECRET.

4. Loss of this hardware, software, documentation and/or data could permit development of information which may lead to a significant threat to future U.S. military operations. If an adversary were to obtain this sensitive technology, the missile system effectiveness could be compromised through reverse engineering techniques.

5. A determination has been made that Switzerland can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

6. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Switzerland.

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